



Auditor of Public Accounts
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Harmon Releases Audit of Jessamine County Sheriff's Fee Account

FRANKFORT, Ky. – State Auditor Mike Harmon today released the audit of the 2018 financial statement of Jessamine County Sheriff Kevin Corman. State law requires the auditor to annually audit the accounts of each county sheriff. In compliance with this law, the auditor issues two sheriff's reports each year: one reporting on the audit of the sheriff's tax account, and the other reporting on the audit of the fee account used to operate the office.

Auditing standards require the auditor's letter to communicate whether the financial statement presents fairly the receipts, disbursements and excess fees of the Jessamine County Sheriff in accordance with accounting principles generally accepted in the United States of America. The sheriff's financial statement did not follow this format. However, the sheriff's financial statement is fairly presented in conformity with the regulatory basis of accounting, which is an acceptable reporting methodology. This reporting methodology is followed for all 120 sheriff audits in Kentucky.

As part of the audit process, the auditor must comment on noncompliance with laws, regulations, contracts, and grants. The auditor must also comment on material weaknesses involving the internal control over financial operations and reporting.

The audit contains the following comment:

The sheriff paid one employee for leave time in excess of amounts allowed by his administrative manual: During calendar year 2018, the Jessamine County Sheriff paid an employee for 566 hours of leave more than the employee was entitled to be paid per the sheriff's administrative manual. This resulted in an overpayment of \$11,818 to the employee. Additionally, auditors noted timesheets tested during this period were not signed by the employee.

An employee had a family medical situation that required him to be off work for an extended period. Rather than placing the employee on leave without pay when the allowable amount of

leave was exhausted, the sheriff paid the employee for the entire period he was off. Since the paid leave was not permitted by the sheriff's policy, the overpayment resulted in disallowed expenditures. Disallowed expenditures cannot be paid from public funds and require the sheriff to deposit personal funds into the fee account to cover the expenditures.

The sheriff's policy states, "[a]ll full time employees shall earn and accumulate sick leave on the first day of each month following completion of a full calendar month based on the following: 8 hour shift employees accumulate 8 hours[;] 12 hour shift employees accumulate 9 hours[;] 24 hour shift employees accumulate 12 hours[.]" It further states, in part, that the sheriff, "may authorize an employee to take an unpaid leave of absence for special or emergency reasons... This will be recorded on an employee's time record as an unpaid absence... Employees must exhaust accrued vacation or benefit time, if applicable, before requesting unpaid leaves of absence."

Good internal controls dictate that strong controls are essential for ensuring payroll disbursements are properly reported and accounted for. All timesheets should be signed by both the employee and the supervisor to ensure time reported is accurately accounted for and properly approved.

We recommend the sheriff adhere to his administrative manual and consult with the county attorney to determine whether policies permitting public employees to be paid for time not actually worked or leave time earned is permissible under state and federal laws. We further recommend the sheriff ensure all timesheets contain approval signatures. Additionally, we recommend the sheriff deposit \$11,818 of personal funds into the fee account, reimbursing the account for the disallowed expenditures.

Sheriff's Response: The employee mentioned above received compensation at my discretion as Sheriff due to a family medical emergency involving their child. After exhausting all his accrued sick and vacation time and time that was donated to him by other sheriff's office employees. Given the circumstances pertaining to this medical emergency, even the auditors struggled with this comment to the point that they said, "unfortunately we have to audit without emotion." The auditors stated regardless of this comment, that it was a great audit and that all monies were accounted for. I honestly feel that the public would have agreed with my decision to help this family out and would want to take care of their own. This decision was made in good faith and unfortunately, resulted in the only comment I've ever received. The employee will reimburse the Sheriff for the compensation received. As directed by the APA office, the funds will be deposited into the 2018 Legal Fee account upon receipt and disbursed to the Jessamine County Fiscal Court.

The sheriff's responsibilities include collecting property taxes, providing law enforcement and performing services for the county fiscal court and courts of justice. The sheriff's office is funded through statutory commissions and fees collected in conjunction with these duties.

The audit report can be found on the [auditor's website](#).

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